

Manitoba
Health



The Health Services Development Fund

investing in reform
and improvement
in Manitoba's
health services

September 1989



Manitoba Lotteries...

making good things happen!



A Message from the Minister of Health for Manitoba

The new Health Services Development Fund will channel \$10 million a year of Manitoba's lottery revenues to support reform and improvement in the health services system.

This new money will be used to provide a maximum of three years funding for special projects or initiatives designed to develop better and more appropriate ways of delivering health services, to strengthen health promotion, disability postponement and disease prevention, to improve the management of health services and to provide essential equipment to make the health services system more responsive to the needs of Manitobans.

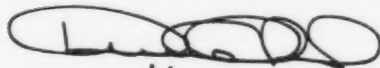
The financial support for the Health Services Development Fund will come from the people of Manitoba, through the revenues generated by the Manitoba Lotteries Foundation. The \$10 million will be available annually for as long as it is required.

The creativity and insights that will lead to successful initiatives that can achieve reform and improvement throughout health services will come from the health services community. We'll support projects from health service organizations, agencies and facilities, including hospitals, universities, professional associations and community based health services groups, as part of our overall effort to revitalize the sense of shared purpose and responsibility.. the sense of partnership.. that is essential if we are to meet the challenge of continuing to reform and improve health services in Manitoba.

In the past, opportunities for reform and improvement that members of the health services community have identified have been lost because, faced with growing pressure of overall health costs, it has been impossible to finance them.

The Health Services Development Fund is a recognition by government that, even where new approaches will result in longer term reductions in health costs, there is a critical need for transitional financing to permit opportunities for reform and improvement to be identified, pursued, and critically evaluated.

This new fund responds to that need. Manitoba Health looks forward to working closely with the health services community at large as we put these new funds to work to improve and reform health services for every Manitoban.



Donald W. Orchard
Minister of Health for Manitoba

Questions and Answers about Manitoba's new "Health Services Development Fund"

Why has Manitoba established the Health Services Development Fund?

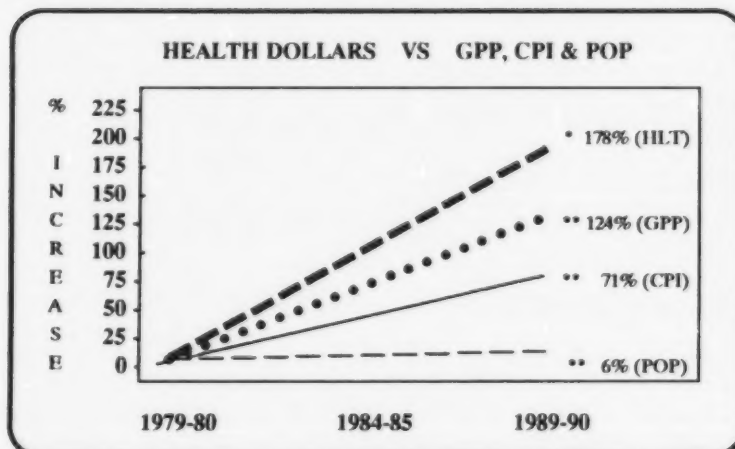
Manitoba's health system has earned the trust and confidence of Manitobans. But we have a shared responsibility to be concerned about the ability of the health system to evolve to meet changing needs. As well, we need to be concerned about the escalating health care costs in this province.

In 1979, the Province of Manitoba spent \$558 million in providing health care. In 1989 those costs have grown to **\$1.55 billion** representing almost \$1,500 for each man, woman and child in the province... an increase of about 178%.

Health costs now account for 32.3% of the total provincial budget.

Over that same period, our total wealth as a province, as measured by our gross provincial product, has increased by 124%.

Another way of describing the situation is to compare the increases in Health Expenditures (HLT) to those in the Consumer Price Index (CPI), Gross Provincial Product (GPP), and the Provincial Population (POP).



Sources:

- Manitoba Health Services Commission / Manitoba Health
- ** Consumer Price Index - Statistics Canada

Every other economic indicator we have tells the same story. Health care costs and demands are rapidly outstripping our ability to pay for them. We **MUST** find ways to control the cost escalation... and we must do it **NOW**.

This situation is not unique to Manitoba. Every province in Canada is faced with the same problems, and each province is developing plans to deal with those problems.

Manitoba's approach to the issue is based on four guiding principles:

1. Solutions must be **innovative**, drawing on the creativity and insight of individuals and groups who have knowledge of the health system.
2. Solutions must contribute to the **sound management** of the health system, the largest single item in the provincial budget.
3. Solutions must contribute to the development of an **affordable** system and the opportunity to realign existing resources to meet new service requirements.
4. Solutions must incorporate a **critical evaluation** component to determine efficacy and the potential impact on future costs.

The Health Services Development Fund represents one of the components of our effort to recreate a quality health system that is efficient, effective, and affordable.

What kinds of projects will the fund support?

The Fund will support five different categories of projects that can help to achieve its overall goals.

1. Support for Innovative Programming

Each year the Health Services Development Fund will invest approximately \$3.5 million (35% of the total fund) in projects aimed at the development of alternative health care services that can contribute both to improved health outcomes and long term cost containment.

Examples of "Innovative Programming" initiatives may include:

- * the development of out-patient care to provide Manitobans who need health care with a realistic alternative to hospitalization.
- * the development of community-based mental health alternatives to institutional care.

2. Health Promotion and Disease Prevention

Conventional health promotion programs have focused on health risks affecting the community as a whole. There is significant potential for improving health through the development of health promotion, disability postponement and disease prevention initiatives that are addressed specifically to known high risk individuals.

The Health Services Development Fund will invest approximately \$3.5 million (35% of the total fund) in projects intended to achieve specific and targeted health promotion and/or disease prevention goals each year. We have to provide strong leadership in the prevention of heart disease and look critically at drug and alcohol abuse, and environmental issues which contribute to poor health.

3. More Effective Evaluation of Health Services

Each year the fund will invest approximately \$500,000 (5% of its annual total) in projects that will contribute to more effective evaluation of health services.

Our particular focus will be on the evaluation of programs and program alternatives to determine their efficacy.. how effective they are in light of advances in medical knowledge.. and their cost-effectiveness.

The pressures to provide health services have been so extreme that we have been unable to provide the necessary evaluation of current health programs.

Throughout the health services community, individuals and groups have identified areas where this kind of evaluation would have contributed to bettering the existing health services. However, resources have not been available to conduct these evaluations. The Health Services Development Fund will provide those resources to make it possible for the health services community to enhance its evaluation and management of the services provided to Manitobans.

4. Applications of Systems Technology to Health Services

The application of modern program management technology to health services has lagged because of difficulty in obtaining the funds needed for the development of computer systems and electronic devices that are needed to bring about improvements in management.

The fund will invest approximately \$500,000 (or 5% of the fund total each year) to provide the seed money for modern systems development to support reform and improvement in the health services system.

5. Equipment Acquisition - where there are gaps in services

The acquisition of high technology medical equipment.. like dialysis machines and ultrasound... has traditionally focused on providing this equipment in areas of highest population. The result has been that, in many cases, residents of rural or northern Manitoba have to travel significant distances to receive services that depend on this equipment.

The Health Services Development Fund will invest approximately \$2 million (or 20% of the fund's annual total) each year to support the installation of such equipment where it is needed, so that more Manitobans can have the benefit of the services these devices make possible.

**How does a health services organization apply
for investment from the
Health Services Development Fund?**

Provide a description of the project as follows:

- * Which category will your project fall into?
- * What benefits... in terms of improved health services or enhanced management of health costs and outcomes... will your project provide?
- * How will your project be evaluated (we'll expect someone other than the people running the project to do the evaluation) and against what criteria?
- * Who is the sponsoring agency (we want partners from the health services community in all of these projects)?
- * Who will be operating the project? Who's in charge? What skills or knowledge do you bring to the task?

Send that description to the Deputy Minister of Health for Manitoba. It's your application for support from the fund.

**Who will decide whether or not the fund
invests in my project?**

The Health Services Development Fund will make decisions through a Steering Committee, chaired by the Deputy Minister of Health, with representatives from Treasury Board and the health services community.

The decisions will be made on the basis of how the projects can contribute to our shared goals.

Will there be enough money to fund every project?

No. Even though \$10 million is a lot of money, there is simply no way it can cover the costs of the projects to put all the good ideas that exist throughout the health services community into action in any given year. However, much can be accomplished with an annual investment of \$10 million.

In some cases, we may ask if you can find other sources of funding to augment partial support from the fund, or more economical ways to complete the project. In others, we may say that, this year, there's not enough money.

But \$10 million in new money, focused on creative new initiatives from throughout the health services community, can have a major effect.

Manitoba's health services system is one of the best anywhere. The Health Services Development Fund will invest in the reforms and improvements we need to meet the changing needs of all the people of Manitoba.

For more information, write to:

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